

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

IN RE:

W.R. GRACE & CO., *et al.*,

Debtors.

Chapter 11

Case No. 01-1139 (JKF)

(Jointly Administered)

Objection Deadline: August 2, 2004 @ 4:00 p.m.  
Hearing Date: September 27, 2004 @ 12:00 p.m.

QUARTERLY FEE APPLICATION OF KRAMER  
LEVIN NAFTALIS & FRANKEL LLP, COUNSEL TO THE  
OFFICIAL COMMITTEE OF EQUITY HOLDERS, FOR  
COMPENSATION AND REIMBURSEMENT OF DISBURSEMENTS FOR THE  
PERIOD FROM JANUARY 1, 2004 THROUGH MARCH 31, 2004

Name of Applicant: Kramer Levin Naftalis & Frankel LLP

Authorized to Provide  
Professional Services to: Official Committee of Equity Holders

Date of Retention: As of July 18, 2001

Period for which compensation  
and reimbursement is sought: January 1, 2004 through and  
including March 31, 2004

Amount of Compensation sought as  
actual, reasonable and necessary: \$31,674.50

Amount of Expense Reimbursement sought as  
actual, reasonable and necessary: \$1,451.43

This is a(n):            monthly                       X       interim application

**SUMMARY OF MONTHLY FEE STATEMENTS FOR KRAMER LEVIN NAFTALIS &  
FRANKEL - JANUARY 1, 2004 THROUGH MARCH 31, 2004**

Fee Application Filing Date Docket No.	Total Fees Requested	Total Expenses Requested	Certification of No Objection Filing Date Docket No.	Amount of Fees Paid (80%)	Amount of Expenses Paid (100%)	Total Amount of Fees and Expenses Requested
2/27/04 5178	\$8,979.00	\$436.47	3/19/04 5316	\$7,183.20	\$436.47	\$9,415.47
5/5/04 5521	\$8,888.00	\$545.85	5/28/04 5655	\$7,110.40	\$545.85	\$9,433.85
5/28/04 5665	\$13,807.50	\$469.11	6/17/04 5830	\$-0-	\$-0-	\$14,276.61
<b>Total</b>	<b>\$31,674.50</b>	<b>\$1,451.43</b>		<b>\$14,293.60</b>	<b>\$982.32</b>	<b>\$33,125.93</b>

Currently Unpaid:    Fees            \$ 17,380.90  
                              Expenses        \$    469.11  
                              **TOTAL            \$ 17,850.01**

**SUMMARY OF OUTSTANDING FEES OWED TO KRAMER LEVIN NAFTALIS &  
FRANKEL - JANUARY 1, 2004 - MARCH 31, 2003**

Time Period	Fees and Expenses Requested	Fees and Expenses Approved <sup>1</sup>	Fees and Expenses Paid	Fees and Expenses Owed
April 1, 2002 - June 30, 2002	\$73,418.50 \$5,356.96	\$73,418.50 \$5,356.96	\$73,418.50 \$5,356.96	\$-0-
July 1, 2002 - September 30, 2002	\$87,266.50 \$10,070.69	\$86,576.50 \$9,737.19	\$86,576.50 9,737.19	\$-0-
October 1, 2002 - December 31, 2002	\$70,445.00 \$3,575.61	\$70,445.00 \$3,575.61	\$70,445.00 \$3,575.61	\$-0-
January 1, 2003 - March 31, 2003	\$51,487.00 \$1,619.93	\$51,487.00 \$1,619.93	\$51,487.00 \$1,619.93	\$-0-
April 1, 2003 - June 30, 2003	\$27,447.00 \$1,839.08	\$27,447.00 \$1,839.08	\$27,447.00 \$1,839.08	\$-0-
July 1, 2003 - September 31, 2003	\$34,092.00 \$497.86	\$34,092.00 \$497.86	\$34,092.00 \$497.86	\$-0-
October 1, 2003 - December 31, 2003	\$45,266.00 \$2,046.18	\$45,266.00 \$2,046.18	\$45,266.00 \$2,046.18	\$-0-
<b>TOTAL</b>	<b>\$389,422.00</b> <b>\$24,672.81</b>	<b>\$388,732.00</b> <b>\$24,672.81</b>	<b>\$388,732.00</b> <b>\$24,672.81</b>	<b>\$0.00</b>

Currently Unpaid:    Fees:            \$        0.00  
                                  Expenses        \$        0.00  
  
                                  TOTAL            \$        0.00

**SUMMARY OF TIME FOR BILLING PERIOD**

Name	Hourly Billing Rate	Total Billed Hours	Total Compensation
Bentley, Philip	565.00	13.40	\$7,571.00
Becker, Gary	495.00	26.30	\$13,018.50
Becker, Gary	247.50	5.00	\$1,237.50
Klein, David	390.00	15.20	\$5,928.00
Mangual, Kathleen	195.00	20.10	\$3,919.50
<b>Total</b>		<b>80.00</b>	<b>\$31,674.50</b>

<sup>1</sup> July 1-September 30, 2002 Fees and Expenses Order Granted on March 12, 2003 (Docket No. 3511); October 1-December 31, 2002 Order Granted on July 28, 2003 (Docket No. 4157); January 1-March 31, 2003 Order Granted on September 22, 2003 (Docket No. 4480); April 1-June 30, 2003 Order Granted on December 15, 2003 (Docket No. 4827); July 1-September 2003 Order granted on April 26, 2004 (Docket No. 5482).

**COMPENSATION SUMMARY BY PROJECT CATEGORY**

<b>Project Category</b>	<b>Total Hours for the Period 01/1/04 through 03/31/04</b>	<b>Total Fees for the Period 01/1/04 through 03/31/04</b>
Bankruptcy Motions	6.80	\$3,534.00
Case Administration	28.90	\$9,265.50
Claims Analysis Objection	4.80	\$2,586.00
Creditor Committee	16.70	\$8,469.50
Fee Applications, Applicant	10.60	\$2,787.00
Fraudulent Conveyance Adv. Proc.	3.20	\$1,808.00
Hearings	2.50	\$1,237.50
Employee Benefits/Pension	1.50	\$749.50
Travel/Non-Working	5.00	\$1,237.50
<b>Total</b>	<b>80.00</b>	<b>\$31,674.50</b>

**EXPENSE SUMMARY**

<b>Expense Category</b>	<b>Total Expenses For the Period 01/1/04 through 03/31/04</b>
Photocopying	\$280.95
Lexis / Nexis On-Line Research	\$26.61
Messenger/ Courier	\$46.43
Corp. Doc. & Mat.	\$497.50
Cab Fares11	\$17.00
Out-of-town Travel	\$279.00
Document Retrieval Fees	\$303.94
<b>Total</b>	<b>\$1,454.43</b>

The foregoing summaries are submitted to the Court pursuant to the Amended Administrative Order under 11 U.S.C. §§ 105(a) and 331 Establishing Procedures For Interim Compensation and Reimbursement of Expenses for Professionals and Official Committee Members dated April 17, 2002 (the "Amended Administrative Order"). Pursuant to the Amended Administrative Order, Kramer Levin respectfully requests that, for the period January 1, 2004 through March 31, 2004, it be allowed the total amount of fees of \$31,674.50 and disbursements \$1,454.43, and that the Debtor be directed to pay all unpaid amounts as set forth above.

KRAMER LEVIN NAFTALIS & FRANKEL LLP

By: 

Gary M. Becker  
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New York, New York 10022  
(212) 715-9100

Counsel to the Official Committee of  
Equity Holders

Dated: July <sup>13</sup>, 2004  
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**SCHEDULE OF TIME CHARGES AND RATES  
FOR THE PERIOD JANUARY 1, 2004 THROUGH MARCH 31, 2004**

**CASE ADMINISTRATION**

<u>ATTORNEY</u>	<u>DEPARTMENT</u>	<u>HOURS</u>	<u>HOURLY RATE</u>	<u>AMOUNT</u>
BENTLEY, PHILIP	CRED	1.80	565.00	1,017.00
KLEIN, DAVID	CRED	15.20	390.00	5,928.00
PARAPROFESSIONALS				
MANGUAL, KATHLEEN	CRED	11.90	195.00	2,320.50
Subtotal		<u>28.90</u>		\$ <u>9,265.50</u>

**CREDITOR COMMITTEE**

<u>ATTORNEY</u>	<u>DEPARTMENT</u>	<u>HOURS</u>	<u>HOURLY RATE</u>	<u>AMOUNT</u>
BENTLEY, PHILIP	CRED	2.90	565.00	1,638.50
BECKER, GARY M.	CRED	13.80	495.00	6,831.00
Subtotal		<u>16.70</u>		\$ <u>8,469.50</u>

**BANKR. MOTIONS**

<u>ATTORNEY</u>	<u>DEPARTMENT</u>	<u>HOURS</u>	<u>HOURLY RATE</u>	<u>AMOUNT</u>
BENTLEY, PHILIP	CRED	2.40	565.00	1,356.00
BECKER, GARY M.	CRED	4.40	495.00	2,178.00
Subtotal		<u>6.80</u>		\$ <u>3,534.00</u>

**FEE APPLICATIONS, APPLICANT**

<u>ATTORNEY</u>	<u>DEPARTMENT</u>	<u>HOURS</u>	<u>HOURLY RATE</u>	<u>AMOUNT</u>
BECKER, GARY M.	CRED	2.40	495.00	1,188.00
PARAPROFESSIONALS				
MANGUAL, KATHLEEN	CRED	8.20	195.00	1,599.00
Subtotal		<u>10.60</u>		\$ <u>2,787.00</u>

**CLAIM ANALYSIS OBJECTION & RESOLUTION(ASBESTOS)**

<u>ATTORNEY</u>	<u>DEPARTMENT</u>	<u>HOURS</u>	<u>HOURLY RATE</u>	<u>AMOUNT</u>
BENTLEY, PHILIP	CRED	3.00	565.00	1,695.00
BECKER, GARY M.	CRED	1.80	495.00	891.00
Subtotal		<u>4.80</u>		\$ <u>2,586.00</u>

SCHEDULE OF TIME CHARGES AND RATES  
FOR THE PERIOD JANUARY 1, 2004 THROUGH MARCH 31, 2004

**FRAUDULENT CONVEYANCE ADV. PROCEEDING**

<u>ATTORNEY</u>	<u>DEPARTMENT</u>	<u>HOURS</u>	<u>HOURLY RATE</u>	<u>AMOUNT</u>
BENTLEY, PHILIP	CRED	3.20	565.00	1,808.00
	Subtotal	<u>3.20</u>		\$ <u>1,808.00</u>

**EMPLOYEE BENEFITS/PENSION**

<u>ATTORNEY</u>	<u>DEPARTMENT</u>	<u>HOURS</u>	<u>HOURLY RATE</u>	<u>AMOUNT</u>
BENTLEY, PHILIP	CRED	0.10	565.00	56.50
BECKER, GARY M.	CRED	1.40	495.00	693.00
	Subtotal	<u>1.50</u>		\$ <u>749.50</u>

**HEARINGS**

<u>ATTORNEY</u>	<u>DEPARTMENT</u>	<u>HOURS</u>	<u>HOURLY RATE</u>	<u>AMOUNT</u>
BECKER, GARY M.	CRED	2.50	495.00	1,237.50
	Subtotal	<u>2.50</u>		\$ <u>1,237.50</u>

**TRAVEL/WON-WORKING**

<u>ATTORNEY</u>	<u>DEPARTMENT</u>	<u>HOURS</u>	<u>HOURLY RATE</u>	<u>AMOUNT</u>
BECKER, GARY M.	CRED	5.00	247.50	1,237.50
	Subtotal	<u>5.00</u>		\$ <u>1,237.50</u>
	Total	<u>80.00</u>		\$ <u>31,674.50</u>

SCHEDULE OF TIME CHARGES AND RATES  
FOR THE PERIOD JANUARY 1, 2004 THROUGH MARCH 31, 2004

<u>ATTORNEY</u>	<u>DEPARTMENT</u>	<u>HOURS</u>	<u>HOURLY RATE</u>	<u>AMOUNT</u>
BENTLEY, PHILIP	PARTNER	13.40	565.00	7,571.00
BECKER, GARY M.	SPEC COUNS	26.30	495.00	13,018.50
BECKER, GARY M.	SPEC COUNS	5.00	247.50	1,237.50
KLEIN, DAVID	ASSOCIATE	15.20	390.00	5,928.00
MANGUAL, KATHLEEN	PARALEGAL	20.10	195.00	3,919.50
	Total	<u>80.00</u>		<u>\$31,674.50</u>



SCHEDULE OF DISBURSEMENTS  
FOR THE PERIOD JANUARY 1, 2004 THROUGH MARCH 31, 2004

<u>DISBURSEMENTS *</u>	<u>AMOUNT</u>
PHOTOCOPYING	280.95
LEXIS / NEXIS ON -LINE RESEAR	26.61
MESSENGER/COURIER	46.43
CORP. DOC.& MAT.	497.50
CAB FARES	17.00
OUT-OF-TOWN TRAVEL	279.00
DOCUMENT RETRIEVAL FEES	303.94
Subtotal	<u>\$1,451.43</u>

SCHEDULE OF VOLUNTARY DISBURSMENT REDUCTIONS  
FOR THE PERIOD JANUARY 1, 2004 THROUGH MARCH 31, 2004  
IN ACCORDANCE WITH THE CASE MANAGEMENT ORDER

<u>DISBURSEMENTS</u>	<u>AMOUNT</u>
PHOTOCOPYING	149.84
Subtotal	<u>\$149.84</u>